

**TAX INCREMENT FINANCING AGREEMENT  
BY AND BETWEEN  
THE TOWN OF NEEDHAM,  
TRIPADVISOR LLC and  
NORMANDY GAP-V DEVELOPMENT NEEDHAM, LLC**

This AGREEMENT is made this 14th day of November, 2012 by and between the TOWN OF NEEDHAM, a municipal corporation duly organized under the laws of the Commonwealth of Massachusetts, with a principal place of business at Town Hall, 1471 Highland Avenue, Needham, MA 02492 (the "TOWN") and TRIPADVISOR LLC, a Massachusetts limited liability company with a principal place of business at 141 Needham Street, Newton, MA 02464 (the "COMPANY"), duly authorized to do business in Massachusetts, and NORMANDY, GAP-V DEVELOPMENT NEEDHAM, LLC, a Delaware limited liability company, with a principal place of business at 53 Maple Avenue, Morristown, NJ 07960 or an affiliate/subsidiary or the nominee, successor or assignee thereof (the "PROPERTY OWNER").

**PRELIMINARY STATEMENTS**

WHEREAS, the PROPERTY OWNER owns approximately 13.68 acres of real estate, consolidating four previously separate parcels, shown on Needham Town Assessor's Plan No. 300 as parcels 15, 16, 28 and 29, with the respective street addresses of 410 First Avenue, 66 B Street, 37 A Street and 360 First Avenue;

WHEREAS, the PROPERTY OWNER and COMPANY intend to develop a portion of that real estate, specifically delineated as 'Site Area' on a Plan entitled "Exclusive Use Plan – Building #3," dated September 21, 2012 and prepared by Tetra Tech, said portion to consist of sections of the lots shown on Needham Town Assessor's Plan No. 300 as parcels 15 and 16 with the street addresses 410 First Avenue and 66 B Street, respectively, comprising approximately 3.5 acres (hereinafter the "PROPERTY");

WHEREAS, the PROPERTY is to be developed with a 240,000 square-foot office building, together with associated improvements (collectively, the "PROJECT");

WHEREAS, the PROPERTY OWNER intends to lease 230,000 square feet of the PROJECT to the COMPANY;

WHEREAS, the PROPERTY is located within the boundaries of the Needham Economic Target Area (the "ETA") as designated by the Massachusetts Economic Assistance Coordinating Council (the "EACC") pursuant to Chapter 23A, Section 3D(a)(ii)(J) of the General Laws;

WHEREAS, the PROPERTY is located within and occupies the entire Center 128 Economic Opportunity Area (the "EOA"), which is the subject of an application from the TOWN to be submitted to the EACC, pursuant to Chapter 23A, Section 3E of the General Laws;



WHEREAS, through the PROJECT, the COMPANY is expected to create 250 new, permanent, full-time jobs (collectively, "NEW JOBS"), and retain and relocate 450 permanent full-time jobs from its Newton offices to the PROJECT ("JOBS RELOCATED");

WHEREAS, the PROJECT is expected to result in an estimated capital investment of approximately \$101 million including \$73.6 million for construction costs and \$12.4 million for land and related costs paid for by the PROPERTY OWNER, \$7.5 million for leasehold improvements and \$7.5 million for personal property paid for by the COMPANY;

WHEREAS, the COMPANY and the PROPERTY OWNER are seeking a Tax Increment Financing Exemption from the TOWN, in accordance with the Massachusetts Economic Development Incentive Program and Chapters 23A, 40 and 59 of the General Laws;

WHEREAS, the TOWN strongly supports increased economic development in the TOWN, to expand commercial and industrial activity within the TOWN, and to develop a healthy economy and stronger tax base;

WHEREAS, the COMPANY intends to apply for status as a Certified Project pursuant to Chapter 23A, Section 3F of the General Laws;

WHEREAS, the PROJECT furthers the economic development goals and the criteria established for the ETA and EOA; and

NOW THEREFORE, in consideration of the mutual promises of the parties contained herein and other good and valuable consideration, each to the other paid, the receipt of which is hereby acknowledged, the parties hereby agree as follows:

1. The Board of Selectmen of the Town of Needham will execute this AGREEMENT on behalf of the TOWN. This execution is subject to ratification by the Town Meeting. Should the Town Meeting fail to ratify this AGREEMENT, it will not be binding on any of the parties.
2. This is a thirteen (13) year incentive, to commence in the later of (a) Fiscal Year 2016 (begins July 1, 2015) or (b) the first Fiscal Year in which the Project is placed in service (as evidenced by a certificate of occupancy) and ending thirteen full Fiscal Years thereafter (i.e., in Fiscal Year 2028 (ends June 30, 2028) if the commencement is Fiscal Year 2016), which shall include any real estate development associated with the PROJECT. In no event shall such incentive commence subsequent to Fiscal Year 2018. The COMPANY and the PROPERTY OWNER agree that development will be considered to be part of the PROJECT only if the building permits for the building envelope have been applied for on or before June 30, 2014.
3. The Tax Increment Financing Exemption formula for the PROPERTY shall be calculated as prescribed by Chapter 23A, Section 3E; Chapter 40, Section

59 and Chapter 59, Section 5, Clause 51<sup>st</sup> of the General Laws. The Tax Increment Financing Exemption formula shall apply to the incremental difference in the assessed valuation of the PROPERTY created by the PROJECT, excluding parking, landscaping and accessory facilities associated therewith (the "REAL ESTATE INCREMENT").

- a. The parties hereby agree that the base valuation for the PROPERTY is the value used for the calculation of property taxes owed in Fiscal Year 2013. The parties agree that the base valuation for the PROPERTY is \$6,826,315.
- b. The base valuation shall be adjusted annually by an adjustment factor, which reflects increased commercial and industrial property values within the community, as provided in Chapter 40, Section 59 of the General Laws.
- c. The REAL ESTATE INCREMENT created by the PROJECT is the amount eligible for exemption from real estate taxation.
- d. Specifically, except as otherwise provided below, this AGREEMENT calls for an exemption from real estate taxation on the REAL ESTATE INCREMENT, commencing on the date described in Section 2 above according to the following TIF SCHEDULE:

Year 1	76%
Year 2	76%
Year 3	76%
Year 4	76%
Year 5	76%
Year 6	1%
Year 7	1%
Year 8	1%
Year 9	1%
Year 10	1%
Year 11	1%
Year 12	1%
Year 13	1%

- e. The parties agree that there shall be no exemption from taxes on personal property pursuant to this AGREEMENT.
4. The TOWN is granting the Tax Increment Financing Exemption in consideration of the COMPANY'S commitment to:
- a. Create a minimum of 250 NEW JOBS within five (5) years after the commencement described in Section 2 above. The COMPANY shall consider in its hiring of new employees, subject to applicable law and assuming equal qualification, the hiring of qualified residents of the TOWN. For the purposes of this AGREEMENT, a NEW JOB shall be



newly created in the Commonwealth. In order to facilitate such employment, the COMPANY shall advertise in the local newspapers and online encouraging such residents to apply for employment with the COMPANY any time advertisements are otherwise placed by the COMPANY for employment at the facility. The COMPANY, however, will retain all authority regarding hiring decisions and recruitment activities;

- b. Retain 450 jobs to be located at the PROJECT.
  - c. Retain jobs as necessary to maintain a total number of employees at the PROJECT equal to the sum of the JOBS RELOCATED and the NEW JOBS created in the prior calendar years ("JOBS RETAINED").
  - d. Invest \$7.5 million for leasehold improvements and \$7.5 million for personal property as part of the PROJECT. It is anticipated that the PROPERTY OWNER will invest \$73.6 million for construction costs and \$12.4 million for land and related costs in connection with the PROJECT, for an aggregate total anticipated PROJECT investment of approximately \$101 million; and
  - e. Subject to applicable law and assuming equal qualification, to explore opportunities to hire qualified local contractors, vendors and suppliers, in connection with the construction and operation of the PROJECT. The COMPANY, however, will retain all authority regarding the hiring of contractors, vendors and suppliers.
5. The COMPANY commits to implement the job creation according to the following schedule. For the purposes of this section, the "First Calendar Year" is the year in which the certificate of occupancy is issued, the "Second Calendar Year" is the next year, and so on.:

On or before December 31 of the  
First Calendar Year

50 NEW JOBS created at the  
PROJECT. 450 JOBS  
RELOCATED to the PROPERTY.

On or before December 31 of the  
Second Calendar Year

50 NEW JOBS created at the  
PROJECT. 500 JOBS RETAINED  
at the PROJECT.

On or before December 31 of the  
Third Calendar Year

50 NEW JOBS created at the  
PROJECT. 550 JOBS RETAINED  
at the PROJECT.

On or before December 31 of the  
Fourth Calendar Year

50 NEW JOBS created at the  
PROJECT. 600 JOBS RETAINED  
at the PROJECT.

On or before December 31 of the  
Fifth Calendar Year

50 NEW JOBS created at the  
PROJECT. 650 JOBS RETAINED  
at the PROJECT.

The COMPANY commits to retain at least 700 jobs at the PROJECT for the remainder of the term of the AGREEMENT.

6. The COMPANY agrees to submit annual reports on job creation, retention and new investment to the State Economic Assistance Coordinating Council and TOWN Board of Assessors on or before January 30 of each year for the duration of the Tax Increment Financing Exemption. These reports shall include:
  - a. The number of NEW JOBS created at the PROJECT, the number of JOBS RETAINED at the PROJECT, and the number of people hired from within the ETA for the annual time period ending December 31 and on a cumulative basis; and
7. Should the COMPANY fail to submit a required annual report, or should the annual report indicate that the COMPANY has failed to meet its scheduled target for EXISTING JOBS and NEW JOBS, the exemption from real property taxation shall be zero percent (0%) for the subsequent fiscal year.
8. The PROPERTY OWNER shall pass on all real estate tax savings resulting from this AGREEMENT to the COMPANY.
9. Neither the COMPANY nor the PROPERTY OWNER will seek a real estate tax abatement for the PROJECT, or any portion thereof, with respect to any fiscal year covered by this AGREEMENT.
10. Should the COMPANY be in default of this AGREEMENT, the TOWN, acting through its Board of Selectmen, may, at its sole discretion, after providing the notice and the opportunity to the COMPANY and to the PROPERTY OWNER to cure described below in this Section 10, notify the EACC and/or take action to request decertification of the project by the EACC. Prior to any decertification proceeding, however, the COMPANY shall have the opportunity to cure, correct or remedy its default. Upon receiving written notice of such a default from the TOWN (with a copy to the PROPERTY OWNER), the COMPANY shall have thirty (30) days to commence to cure, correct or remedy such failure or default, and shall complete such cure, correction or remedy within ninety (90) days of the receipt of such written notice, or, with respect to defaults that cannot be remedied within such ninety (90) day period, within such additional period of time as is required to reasonably remedy such default, provided that the COMPANY exercises due diligence in the remedying of such default. Should the COMPANY opt not to cure the default, the COMPANY agrees that it will not oppose request for decertification by the Town based upon such default. In any event, in addition to the COMPANY's right to cure such default, the PROPERTY



OWNER shall have the right (but not the obligation) to commence to cure, correct or remedy such failure or default within thirty (30) days of receiving the aforementioned written notice from the TOWN. Should the PROPERTY OWNER elect to exercise its right to cure under this Section, it shall give notice to the TOWN and to the COMPANY of its intention to do so, and shall complete such cure, correction or remedy within one hundred and twenty (120) days of the receipt of the aforementioned written notice from the TOWN, or, with respect to defaults that cannot be remedied within such one hundred and twenty (120) day period, within such additional time as is required to reasonably remedy such default, provided that the PROPERTY OWNER exercises due diligence in the remedying of such default.

11. This AGREEMENT is being executed simultaneously with two Host Community Agreements, one between the TOWN and the PROPERTY OWNER (the "PROPERTY OWNER HCA") and one between the TOWN and the COMPANY (the "COMPANY HCA"). Application of the tax exemptions in this AGREEMENT shall be contingent upon the COMPANY and the PROPERTY OWNER undertaking all actions as are required in the COMPANY HCA and PROPERTY OWNER HCA, respectively, prior to the expiration of any notice and cure periods. Any default by the COMPANY or PROPERTY OWNER that continues beyond the expiration of any applicable notice and cure periods under the terms of the HCA shall be deemed to be a default of this AGREEMENT as well.
12. If and to the extent that either party is prevented from performing its obligations hereunder by an event of force majeure, such party shall be excused from performing hereunder and shall not be liable in damages or otherwise, and the parties instead shall negotiate in good faith with respect to appropriate modifications to the terms hereof. For purposes of this AGREEMENT, the term force majeure shall mean the supervening causes described here, each of which is beyond the reasonable control of the affected party: acts of God, fire, earthquake, floods, explosion, actions of the elements, war, terrorism, riots, mob violence, a general shortage of labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strikes, lockouts, actions of labor unions, condemnation, laws or orders of governmental or military authorities, or any other cause similar to the foregoing, not within the control of such party obligated to perform such obligation.
13. The COMPANY shall give written notice to the TOWN at least thirty (30) days prior to any relocation of operations from the PROPERTY, or of any transfer of its leasehold on the PROPERTY or its business to any entity other than designated as the COMPANY in this AGREEMENT; provided that if the Company determines in good faith that such notice cannot be given thirty (30) days in advance because of the requirements of securities laws or related regulations, or any contractual, regulatory, or other similar types of obligations or prohibitions, such notice shall be given promptly after such prohibitions no longer apply. Such notice shall not operate to terminate any obligation set forth in this AGREEMENT.

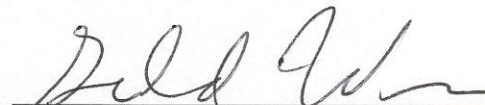
14. In endorsing this document, the TOWN also authorizes the submittal of the related TIF Plan and EOA application to the Massachusetts Office of Business Development and the EACC.
15. This AGREEMENT shall be binding upon all parties to it and, in addition, shall be binding upon and inure to the benefit of subsequent owners of the PROPERTY and to the successors and assigns of the COMPANY.
16. If any provision of this contract shall be found invalid for any reason, such invalidity shall be construed as narrowly as possible and the balance of the contract shall be deemed to be amended to the minimum extent necessary to provide to the parties substantially the benefits set forth in this contract.

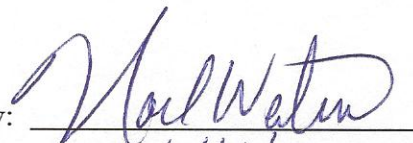


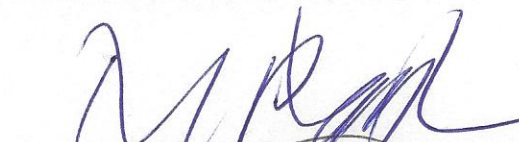
AGREED TO:

TOWN OF NEEDHAM  
BY ITS BOARD OF SELECTMEN

TRIPADVISOR LLC

  
Gerald A. Wasserman, Chairman

By:   
Name: Noel Watson  
Title: Controller

  
Daniel P. Matthews, Vice Chairman

11/14/12  
Date


  
John A. Bulian, Clerk

Maurice P. Handel

  
Matthew D. Borrelli

11.14.2012  
Date

NORMANDY, GAP-V DEVELOPMENT  
NEEDHAM, LLC

By:   
Name: Susan D. Krebs  
Title: Authorized Signatory  
Date: 11/14/12